

# Missouri Timber Price Trends

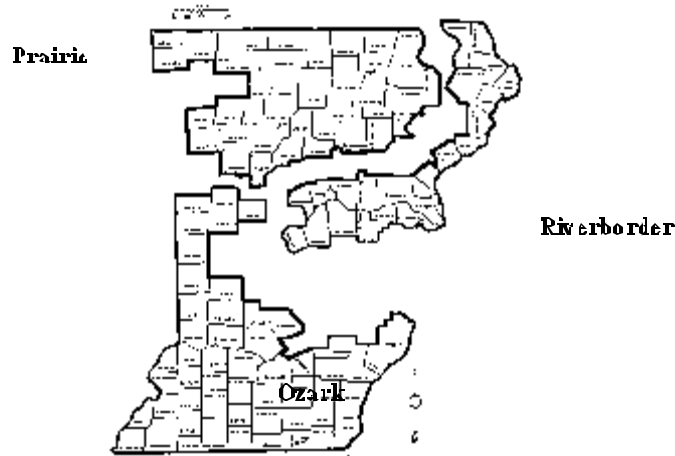


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**Quarterly Market Report**  
**Vol. 5 No. 1**  
**January - March 1995**

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## Price Reporting Regions



**Missouri Timber Price Trends** tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

### Tree Scale Conversion Factors

Sawlogs - Veneer Logs

Int'l = Doyle x 1.52  
Int'l = Scribner x 1.18

Pulpwood	Pine	5,200 lbs/cord
	Hardwood (hard)	5,600 lbs/cord
	Hardwood (soft)	4,200 lbs/cord

## STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(January - March, 1995)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
<b>Veneer</b>							
Black Walnut	\$2500	\$730	\$1219	\$1079	\$1446	5	10639
White oak (group)	\$1000	\$926	\$997	\$1000	--	4	36384
<b>Sawlogs</b>							
Ash	\$300	\$157	\$179	\$152	\$106	4	37709
Basswood	\$100	\$100	\$100	--	\$200	1	15000
Black Walnut	\$526	\$198	\$371	\$272	\$510	8	32351
Cottonwood	\$95	\$19	\$89	--	\$39	3	235404
Hackberry	\$98	\$92	\$92	\$84	\$150	2	71440
Hickory	\$94	\$94	\$94	\$60	\$112	1	18620
Hard Maple	\$50	\$50	\$50	\$60	--	1	41000
Soft Maple	\$300	\$96	\$184	\$75	--	3	27726
Oak (mixed species)	\$375	\$186	\$306	\$106	\$140	2	287880
Red oak (group)	\$225	\$59	\$166	\$159	\$106	7	428150
White oak (group)	\$200	\$59	\$157	\$140	\$116	12	527975
Sycamore	\$80	\$59	\$72	--	--	3	42715
Mixed Hardwoods	\$180	\$46	\$118	\$92	\$107	11	331580
<b>Stave logs</b>							
White oak (group)	\$225	\$225	\$225	\$212	--	1	5100
<b>Pulpwood</b>							
Mixed Hardwoods	\$5	\$5	\$5	--	--	1	50 Cords
<b>Fence posts</b>							
Southern Yellow Pine	\$0.86	\$0.86	\$0.86	\$0.45	--	1	17500 Pieces

MBF = Thousand Board Feet. Board Foot Volumes are based on International 1/4" Rule Scale

**TIMBER STUMPAGE PRICE TRENDS IN MISSOURI'S RIVERBORDER REGION**

(January - March, 1995)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
<b>Veneer</b>							
Black Walnut	\$2500	\$2500	\$2500	--	--	2	660
White oak (group)	\$1000	\$1000	\$1000	--	--	3	35045
<b>Sawlogs</b>							
Ash	\$200	\$200	\$200	--	--	1	2400
Basswood	\$100	\$100	\$100	--	--	1	15000
Black Walnut	\$500	\$300	\$333	--	--	2	4800
Cottonwood	\$95	\$95	\$95	--	--	1	210000
Hard Maple	\$50	\$50	\$50	--	--	1	41000
Oak (mixed species)	\$375	\$375	\$375	--	\$83	1	182400
Red oak (group)	\$225	\$59	\$191	--	--	4	204310
White oak (group)	\$200	\$59	\$175	--	--	5	370450
Sycamore	\$60	\$59	\$59	--	--	2	16300
Mixed Hardwoods	\$180	\$50	\$65	--	--	3	24030

MBF = Thousand Board Feet. Board Foot Volumes are based on International 1/4" Rule Scale

**TIMBER STUMPAGE PRICE TRENDS IN MISSOURI'S PRAIRIE REGION**

(January - March, 1995)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
<b>Veneer</b>							
Black Walnut	\$1390	\$1243	\$1350	\$1093	\$1470	2	6509
White oak (group)	\$926	\$926	\$926	\$1000	--	1	1339
<b>Sawlogs</b>							
Ash	\$300	\$157	\$177	\$152	\$300	3	35309
Black Walnut	\$526	\$198	\$444	\$287	\$665	5	17189
Cottonwood	\$50	\$19	\$40	--	\$39	2	25404
Hackberry	\$98	\$92	\$92	\$84	\$150	2	71440
Soft Maple	\$300	\$96	\$184	\$75	--	3	27726
White oak (group)	\$134	\$134	\$134	\$171	\$96	1	39520
Sycamore	\$80	\$80	\$80	--	--	1	26415
Mixed Hardwoods	\$50	\$46	\$46	\$45	\$53	2	50264

MBF = Thousand Board Feet. Board Foot Volumes are based on International 1/4" Rule Scale

**TIMBER STUMPAGE PRICE TRENDS IN MISSOURI'S OZARK REGION**  
(January - March, 1995)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
<b>Veneer</b>							
Black Walnut	\$730	\$730	\$730	\$1037	\$986	1	3470
<b>Sawlogs</b>							
Black Walnut	\$267	\$267	\$267	\$260	\$356	1	10362
Hickory	\$94	\$94	\$94	--	\$112	1	18620
Oak (mixed species)	\$186	\$186	\$186	\$106	\$144	1	105480
Red oak (group)	\$187	\$120	\$143	\$159	\$115	3	223840
White oak (group)	\$168	\$94	\$107	\$125	\$122	6	118005
Mixed Hardwoods	\$142	\$55	\$136	\$92	\$111	6	257286
<b>Stave logs</b>							
White oak (group)	\$225	\$225	\$225	\$212	--	1	5100
<b>Pulpwood</b>							
Mixed Hardwoods	\$5	\$5	\$5	--	--	1	50 Cords
<b>Fence posts</b>							
Southern Yellow Pine	\$0.86	\$0.86	\$0.86	\$0.45	--	1	17500 Pieces

**MBF = Thousand Board Feet. Board Foot Volumes are based on International 1/4" Rule Scale**



**Missouri Department of Conservation, Forestry Division**  
**University of Missouri, Forestry Extension**  
**Missouri Forest Products Association**

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call Shelby Jones at (314) 751-4115, Extension 109.

## Grade Logs - Average Statewide Delivered Prices

(January - March, 1995)

Dollars Per Thousand Board Feet, International 1/4" Scale

Veneer Species	High	Low	Average
Black Walnut	\$1766	\$963	\$1387
Red oak (group)	\$652	\$252	\$471
White oak (group)	\$1465	\$956	\$1194

\* 10 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$308	\$213	\$113
Black Walnut	\$550	\$366	\$162
Cherry	\$322	\$300	\$192
Cottonwood	\$133	\$120	\$90
Eastern Redcedar	\$248	\$262	\$262
Elm	\$120	\$135	\$125
Gum	--	\$150	\$130
Hackberry	\$129	\$128	\$105
Hard Maple	\$183	--	--
Hickory	\$197	\$164	\$137
Pecan	\$120	\$120	\$120
Red oak (group)	\$382	\$264	\$166
Soft Maple	\$279	\$199	\$118
Southern Yellow Pine	\$175	\$166	\$150
Sycamore	\$169	\$153	\$111
White oak (group)	\$335	\$249	\$160

\* 20 Mill(s) reporting.

## Grade Logs - Average Delivered Prices for the Prairie Region

(January - March, 1995)

Dollars Per Thousand Board Feet, International 1/4" Scale

Veneer Species	High	Low	Average
Black Walnut	\$1662	\$1068	\$1380
White oak (group)	\$2649	\$1898	\$2133

\* 6 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$342	\$238	\$106
Black Walnut	\$567	\$384	\$139
Cherry	\$220	--	--
Cottonwood	\$147	--	\$61
Eastern Redcedar	\$220	--	--
Hackberry	\$139	\$116	\$65
Hard Maple	\$147	--	--
Hickory	\$250	\$200	--
Red oak (group)	\$565	\$424	\$222
Soft Maple	\$289	\$181	\$117
Sycamore	\$194	\$158	\$65
White oak (group)	\$466	\$363	\$188

\* 5 Mill(s) reporting. Note: Grade 1&2 Log standards are more selective in the Prairie region.

## Grade Logs - Average Delivered Prices for the Ozark Region

(January - March, 1995)

Dollars Per Thousand Board Feet, International 1/4" Scale

Veneer Species	High	Low	Average
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White oak (group)	\$793	\$396	\$793
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\* 1 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
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Ash	\$300	\$210	\$170
Elm	--	\$150	\$130
Gum	--	\$150	\$130
Hackberry	--	\$150	\$130
Hickory	\$210	\$166	\$143
Red oak (group)	\$307	\$226	\$160
Soft Maple	--	\$200	--
Southern Yellow Pine	\$200	\$171	--
Sycamore	--	\$165	\$130
White oak (group)	\$284	\$206	\$170

\* 10 Mill(s) reporting.

## Grade Logs - Average Delivered Prices for the Riverborder Region

(January - March, 1995)

Dollars Per Thousand Board Feet, International 1/4" Scale

Veneer Species	High	Low	Average
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Black Walnut	\$1923	\$806	\$1399
Red oak (group)	\$652	\$252	\$471
White oak (group)	\$505	\$201	\$389

\* 4 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
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Ash	\$268	\$180	\$104
Black Walnut	\$533	\$348	\$179
Cherry	\$355	\$300	\$192
Cottonwood	\$120	\$120	\$120
Eastern Redcedar	\$262	\$262	\$262
Elm	\$120	\$120	\$120
Hackberry	\$120	\$120	\$120
Hard Maple	\$220	--	--
Hickory	\$120	\$120	\$120
Pecan	\$120	\$120	\$120
Red oak (group)	\$349	\$230	\$133
Soft Maple	\$250	\$250	\$120
Southern Yellow Pine	\$150	\$150	\$150
Sycamore	\$120	\$120	\$120
White oak (group)	\$301	\$251	\$118

\* 6 Mill(s) reporting.

## QUARTERLY MARKET CONDITIONS

A total of 27 mills, with a combined annual production of 94 million board feet, participated in the January - March, 1995 survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 25 timber sales containing 4.3 million board feet located throughout the state.

### Log Markets

Logging conditions have been generally good across the state during the first quarter of 1995, although a few mills reported difficulty in maintaining log inventories because of locally muddy conditions. Log inventories on mill yards are good and probably above average for this time of year. About one-fourth of the mills that reported price information indicated they operated at less than full capacity during the quarter, but log supply was not listed as a reason.

Markets for lower grade products appear to be softening for some producers and causing them to slightly reduce delivered log prices, especially on lower quality logs. There were many comments about the impact of supply and demand lowering log prices for the next quarter. Apparently there is a feeling among some mill owners that business activity may take a slight downturn in the next quarter. It now appears that there will not be a general build-up of log inventories during the Spring, but mills will simply attempt to maintain the present level of log purchases. It appears from our vantage point that, in general, many businesses will be on "cruise control" as far as log purchases are concerned for the next few months and log prices will remain about where they are now.

The state-wide picture for delivered log prices in the Blocking-Pallet-Tie categories is a softening market off about \$10-\$15/MBF (International Scale) for many species. Oak has fared slightly better and is steady to about \$5. lower this quarter. Pine is steady with prices nearly identical to last quarter.

Grade logs present a somewhat different picture. It appears that the majority of mills are trying to signal landowners and loggers that prices for the highest grade logs are exceeding their comfort level. Prices for #1 logs were off an average \$10.-\$20./MBF. However, prices for # 2 logs, which generally are more profitable to process, remained fairly steady. Grade #3 log prices were also down, probably reflecting softening blocking and pallet lumber markets.

Red oak continues to hold a lead over white oak in top-grade sawlogs. However in the middle grades, demand for stave quality logs gives the edge to white oak. Veneer prices for white oak and walnut indicates very healthy market conditions during the first quarter. Strength of the export market is probably contributing to the

## Below Grade Logs - Average Statewide Delivered Prices

(January - March, 1995)

Dollars Per Thousand Board Feet, International 1/4" Scale

### Below Grade Logs

Species	Blocking	Pallet	Tie
Ash	\$114	\$113	\$128
Black Walnut	\$135	\$135	\$135
Cherry	\$114	\$114	\$114
Cottonwood	\$114	\$103	\$114
Eastern Redcedar	\$262	\$262	\$262
Elm	\$114	\$105	\$114
Gum	\$111	\$114	\$111
Hackberry	\$114	\$107	\$114
Hard Maple	\$111	\$112	\$111
Hickory	\$115	\$121	\$122
Pecan	\$99	\$101	\$120
Red oak (group)	\$120	\$119	\$129
Soft Maple	\$114	\$103	\$114
Southern Yellow Pine	\$135	\$145	\$143
Sycamore	\$114	\$114	\$128
White oak (group)	\$119	\$120	\$128

\* 23 Mill(s) reporting.

overall price levels. The current weakness of the dollar against European and Japanese currencies may cause these prices to continue well into the next quarter as well. There were not enough reports of red oak veneer sales to make any predictions. Dept. of Commerce data indicates only a small volume of red oak veneer leaving the U.S., so the export market is probably not impacting log prices at this time.

Quite a few mill owners indicated they thought prices for delivered logs would continue to drop during the second quarter of '95 along with a general slow-down in the economy. There may be some wishful thinking involved in their responses. It is obvious that there is much competition for standing timber in every part of the state. The sale of high quality standing timber, whether publicly or privately owned, commands interest by buyers from greater distances. More loggers are "merchandising" and sorting logs for several markets based on maximizing their return. In the future mills will be less likely to receive "woods run" logs unless they have a grading system which prices logs based on their potential output of specific products. The "gravy" is simply getting thinner. All of these conditions combined don't seem to spell lower log prices. What they do indicate is the importance of efficient processing equipment and diversity of markets.

### **Stumpage Markets**

Average stumpage prices remained fairly steady during the first quarter of 1995 for nearly all species. Ash, walnut sawlogs, hackberry, and soft maple prices enjoyed slight increases over last quarter. Both red and white oak stumpage prices were steady in the Prairie and River Border units and down about \$10-\$15/MBF in the Ozarks. A couple of sales of high quality bottom land oak in the River Border unit skewed the average prices of Mixed oak stumpage abnormally high in that unit. Timber sales containing high quality timber are still bringing premium prices throughout the state. Conversely, timber sales containing a predominance of low quality or small diameter stems have experienced a decline in bid prices.

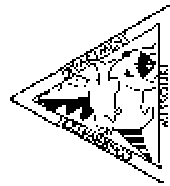
The pine post market continues to be good with much demand for stumpage, even at record level prices. A post sale from a plantation on state land recently brought \$.86 per post. If you have any shortleaf or loblolly pine plantations that need to be thinned, markets probably won't get much better than this.

Good demand for stave quality white oak continues, with stumpage prices being about the same at reported last quarter. Recent improvements in the method of processing stave and heading lumber have made this a more efficient industry than ever before. It is likely that current stumpage price levels will hold for the foreseeable future.

**Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource**

**Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (314) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.**





MISSOURI DEPARTMENT OF CONSERVATION  
FORESTRY DIVISION  
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ADDRESS CORRECTION REQUESTED

